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7

8   UNITED STATES DISTRICT COURT

9   NORTHERN DISTRICT OF CALIFORNIA

10   SAN JOSE DIVISION

11

12 SYNOPSYS, INC.,   Case No.

13   Plaintiff,   **COMPLAINT FOR
                                            (1) VIOLATION OF DIGITAL
14   v.   MILLENNIUM COPYRIGHT
                                            ACT 17 U.S.C. §§ 1201, ET SEQ.;
15 SILICONCORE TECHNOLOGY, INC., ERIC   and (2) AIDING AND ABETTING
    LI, SONNY TANG, and DOES 1-10, inclusive, VIOLATIONS OF DIGITAL
16   MILLENNIUM COPYRIGHT
              Defendants.   ACT, 17 U.S.C. §§ 1201, ET SEQ.**
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                                            DEMAND FOR JURY TRIAL
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1   Plaintiff Synopsys, Inc. ("Synopsys") hereby brings this Complaint against Defendants

2 SiliconCore Technology, Inc. ("SiliconCore"), Eric Li ("Li"), and Sonny Tang ("Tang") for

3 circumventing technological measures that effectively control access to Synopsys' software,

4 including at least its CustomExplorer, CustomSim, Design Compiler, Formality, HSPICE, IC

5 Compiler, PrimeTime, and VCS applications, in violation of the Digital Millennium Copyright

6 Act, 17 U.S.C. §§ 1201, et seq. (the "DMCA"). Synopsys seeks injunctive relief, statutory and/or

7 actual damages, attorneys' fees and costs, an accounting, and any such other relief as the Court

8 may deem proper. Synopsys alleges the following based on personal knowledge, unless indicated

9 as on information and belief.

10   **PARTIES**

11   1.   Plaintiff Synopsys is a corporation organized and existing under the laws of the

12 State of Delaware, with its principal place of business in Mountain View, California.

13   2.   Defendant SiliconCore is a corporation organized and existing under the laws of

14 the State of California, with its principal place of business in Milpitas, California.

15   3.   Plaintiff is informed and believes that Defendant Li is an individual residing in

16 Milpitas, California.

17   4.   Plaintiff is informed and believes that Defendant Tang is an individual residing in

18 Milpitas, California.

19   5.   Plaintiff does not presently know the true names and capacities of the defendants

20 sued herein as Does 1 through 10, inclusive. Plaintiff will seek leave of court to amend this

21 Complaint to allege said defendants' true names and capacities as soon as Plaintiff ascertains

22 them.

23   **JURISDICTION AND VENUE**

24   6.   This action arises under the Digital Millennium Copyright Act, 17 U.S.C. §§ 1201,

25 *et seq*. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331

26 and 1338(a).

27   7.   This Court has personal jurisdiction over SiliconCore because its principal place of

28 business lies within the State of California, and because it has conducted and does conduct

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1 business within the State of California and the Northern District of California.

2   8.   This Court has personal jurisdiction over Li because, on information and belief, he

3 is domiciled within the State of California and the Northern District of California.

4   9.   This Court has personal jurisdiction over Tang because, on information and belief,

5 he is domiciled within the State of California and the Northern District of California.

6   10.   Venue in this district is appropriate under 28 U.S.C. §§ 1391 and 1400 because, on

7 information and belief, all defendants reside in the State of California and the Northern District of

8 California, and because a substantial part of the events giving rise to the dispute occurred within

9 this district.

10 **FACTUAL ALLEGATIONS**

11   11.   As modern electronic devices become more and more compact and powerful, they

12 use increasingly sophisticated computer processor chips. For example, computer chips found in

13 modern LED video displays can contain millions of transistors. When designing a computer

14 processing chip, the stakes are enormous. Chip designers need software that will ensure that their

15 complex designs will work flawlessly. Accordingly, chip designers require extremely robust and

16 powerful computer software to design and test those chips. Many of the world's biggest and most

17 important chip design companies turn to Synopsys for that software.

18   12.   Since it was founded in 1986, Synopsys has been a leading provider of Electronic

19 Design Automation ("EDA") solutions for the semiconductor industry. EDA generally refers to

20 using computers to design, verify, and simulate the performance of electronic circuits. For more

21 than 25 years, Synopsys' solutions have helped semiconductor manufacturers and electronics

22 companies design, test, and manufacture microchips and electronic systems for a wide range of

23 products. Headquartered in Mountain View, California, Synopsys is the fifteenth largest software

24 company in the world and currently employs over 10,000 employees worldwide. Synopsys has

25 developed a comprehensive, integrated portfolio of prototyping, IP, implementation, verification,

26 manufacturing, optical, field-programmable gate array, and software quality and security

27 solutions.

28   13.   Plaintiff is informed and believes that SiliconCore, which is based in Silicon

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1   Valley and has offices on three continents, designs and manufactures LED displays and laser

2   diode controls.

3   14.   Plaintiff is informed and believes that Li is the Founder, President, and Chief

4   Executive Officer of SiliconCore.

5   15.   Plaintiff is informed and believes that Tang is the Vice President of Engineering of

6   SiliconCore.

7   16.   Synopsys' EDA software applications, including its CustomExplorer, CustomSim,

8   Design Compiler, Formality, HSPICE, IC Compiler, PrimeTime, and VCS applications, are

9   works subject to copyright protection under Title 17 of the United States Code.

10   17.   Synopsys does not sell ownership rights or copyright or other intellectual property

11   rights to its EDA software and associated services. Instead, Synopsys customers purchase

12   licenses. These licenses grant Synopsys customers limited rights to install Synopsys' EDA

13   software and to access and use specific Synopsys software programs subject to control by

14   Synopsys' License Key system.

15   18.   Synopsys' License Key system is a built-in security system that controls access to

16   its licensed software by requiring a user to access a key code provided by Synopsys in order to

17   execute the licensed software. This key code controls the quantity and term of the licensed

18   software in accordance with the license terms.

19   19.   Defendants have never obtained a valid license from Synopsys to access and use

20   the EDA software that is at issue herein.

21   20.   Beginning at a time unknown to Synopsys, Defendants have been using counterfeit

22   keys obtained through hacker websites to circumvent the Synopsys License Key system and

23   access and use Synopsys' EDA software, including at least its CustomExplorer, CustomSim,

24   Design Compiler, Formality, HSPICE, IC Compiler, PrimeTime, and VCS applications, without a

25   valid license. Defendants knew or had reason to know that their access and use of Synopsys'

26   software was unauthorized and in violation of the DMCA and Synopsys' valuable copyrights.

27   The fact that Defendants were not being required to pay Synopsys a license fee for access and use

28   of the software alone should have put Defendants on notice that their access and use of Synopsys'

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1   software was unauthorized.

2   21.   Upon information and belief, Defendant SiliconCore has used counterfeit keys to

3   circumvent the Synopsys License Key access-control system at least 4,054 times by seven users.

4   Upon information and belief, Defendant Li has used a counterfeit key to circumvent the Synopsys

5   License Key access-control system at least 28 times. Upon information and belief, Defendant

6   Tang has used a counterfeit key to circumvent the Synopsys License Key access-control system at

7   least 228 times.

8   22.   Synopsys and SiliconCore have engaged in lengthy discussions regarding

9   Synopsys' claims. Synopsys has provided SiliconCore with ample evidence of SiliconCore's

10   unauthorized usage of Synopsys software.

11   **FIRST CLAIM FOR RELIEF**

12   **(Against All Defendants for Violations of the**

13   **Digital Millennium Copyright Act, 17 U.S.C. § 1201)**

14   23.   Synopsys hereby restates and re-alleges the allegations set forth in paragraphs 1

15   through 22 above and incorporates them by reference.

16   24.   Section 1201(a)(1) provides, in pertinent part, that no person shall circumvent a

17   technological measure that effectively controls access to a work protected under this title.

18   25.   Synopsys' EDA software, including its CustomExplorer, CustomSim, Design

19   Compiler, Formality, HSPICE, IC Compiler, PrimeTime, and VCS applications, is subject to

20   protection under the copyright laws of the United States.

21   26.   Access to Synopsys' EDA software, including its CustomExplorer, CustomSim,

22   Design Compiler, Formality, HSPICE, IC Compiler, PrimeTime, and VCS applications, is

23   controlled by technological measures: namely, the Synopsys License Key system.

24   27.   Rather than paying a license to Synopsys for access and use of the EDA software,

25   Defendants used counterfeit license keys that, on information and belief, Defendants knew to be

26   counterfeit and in violation of Synopsys' valuable rights.

27   28.   By using counterfeit license keys, Defendants have circumvented the Synopsys

28   License Key access-control system, and have unlawfully gained access thereby to at least its

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1   CustomExplorer, CustomSim, Design Compiler, Formality, HSPICE, IC Compiler, PrimeTime,

2   and VCS applications.

3   29.   The conduct described above has cost Synopsys an amount to be computed at trial,

4   but that amount is in the millions of dollars in lost revenue, and constitutes a violation of 17

5   U.S.C. § 1201.

6   30.   The conduct described above was willful and with knowledge of wrongdoing; an

7   award of statutory damages is necessary to dissuade Defendants and others from the use of

8   counterfeit license keys.

9   31.   Accordingly, pursuant to 17 U.S.C. § 1203, Synopsys is entitled to and hereby

10   demands statutory damages in the maximum amount of $2,500 for each of the violations of the

11   statute.

12   32.   Synopsys is further entitled to an award of attorneys' fees and costs as provided

13   under 17 U.S.C. § 1203.

14   33.   Defendants' conduct, unless enjoined and restrained by the Court, will cause

15   irreparable harm to Synopsys, which has no adequate remedy at law. Pursuant to 17 U.S.C. §

16   1203, Synopsys is entitled to a preliminary and permanent injunction prohibiting further

17   violations of § 1201.

18   **SECOND CLAIM FOR RELIEF**

19   **(Against Defendants Li and Tang for Aiding and Abetting Violations of the**

20   **Digital Millennium Copyright Act, 17 U.S.C. § 1201)**

21   34.   Synopsys hereby restates and realleges the allegations set forth in paragraphs 1

22   through 33 above and incorporates them by reference.

23   35.   Upon information and belief, Defendants Li and Tang were aware that none of the

24   Defendants obtained valid licenses from Synopsys to use the EDA software at issue herein. Upon

25   information and belief, Defendants Li and Tang encouraged and assisted Defendant SiliconCore

26   to commit violations of the Digital Millennium Copyright Act by inducing Defendant SiliconCore

27   to use a counterfeit license key to access and use Synopsys' EDA software, and by providing their

28   services as employees or independent contractors to assist Defendant SiliconCore in doing so.

1   36.   As a direct and proximate result of Defendants Li's and Tang's assistance in

2   encouraging Defendant SiliconCore to commit violations of the Digital Millennium Copyright

3   Act, Synopsys has been greatly damaged. There is no adequate remedy of law to compensate for

4   the great harm caused by this assistance. Defendants Li and Tang must be enjoined from

5   continuing to aid and abet Defendant SiliconCore in committing violations of the Digital

6   Millennium Copyright Act.

7   37.   By this conduct Defendants Li and Tang made unlawful gains and profits for

8   themselves and/or for Defendant SiliconCore, depriving Synopsys of rights and remunerations

9   that would otherwise have come to Synopsys but for Defendants Li's and Tang's conduct.

10   Defendants Li and Tang have thus caused Synopsys irreparable damages and will continue to

11   cause additional damages.

12   **PRAYER FOR RELIEF**

13   WHEREFORE, Synopsys prays for judgment against Defendants as follows:

14   A.   Entry of judgment in favor of Synopsys against Defendants;

15   B.   An order awarding Synopsys statutory and/or actual damages for each instance on

16   which Defendants circumvented measures controlling access to Synopsys' software pursuant to

17   17 U.S.C. § 1203;

18   C.   Prejudgment and post-judgment interest;

19   D.   An order awarding Synopsys its costs and attorneys' fees pursuant to 17 U.S.C. §

20   1203;

21   E.   An order for an accounting of all gains, profits, cost savings and advantages

22   realized by Defendants from their acts;

23   F.   An order preliminarily and permanently enjoining Defendants, their officers,

24   agents, servants, employees, attorneys, and affiliated companies, its assigns and successors in

25   interest, and those persons in active concert or participation with them, from circumventing or

26   aiding and abetting others to circumvent Synopsys' License Key system or other technological

27   measures that control access to Synopsys' works in violation of 17 U.S.C. § 1201; and

28   G.   All such further and additional relief, in law or equity, to which Synopsys may be

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1   entitled or which the Court deems just and proper.

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3   Dated: November 15, 2016   DENISE M. MINGRONE
                                             ROBERT L. URIARTE
4   Orrick, Herrington & Sutcliffe LLP

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6   By: */s/ Denise M. Mingrone*
                                                 DENISE M. MINGRONE
7   Attorneys for Plaintiff
                                                  SYNOPSYS, INC.
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